

**ANNUAL REPORT**  
*of the*  
**DETROIT AND MACKINAC  
RAILWAY COMPANY**



**FOR THE FISCAL YEAR ENDING DECEMBER 31st**  
**1928**



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*of the*  
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**RAILWAY COMPANY**

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## DIRECTORS AND OFFICERS

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### BOARD OF DIRECTORS

HENRY K. McHARG ..... Ridgefield, Conn.  
HENRY K. McHARG, Jr. .... East Tawas, Mich.  
DAVID H. PIERSON ..... New York, N. Y.  
JAMES BROWN MABON ..... New York, N. Y.  
JAMES McNEIL ..... New York, N. Y.

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### OFFICERS

HENRY K. McHARG ..... President  
Ridgefield, Conn.  
JAMES McNEIL ..... Secretary-Treasurer  
40 Wall Street, New York, N. Y.  
HENRY K. McHARG, Jr. .... Vice-President and General Manager  
East Tawas, Michigan  
JOHN McCRAY ..... Second Vice-President and Auditor  
East Tawas, Michigan

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General Office. (In Michigan) ..... East Tawas, Michigan  
General Office (Outside of Michigan)..... 40 Wall St., New York, N. Y.

**COLEGROVE & MURPHY**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
**LAFAYETTE BUILDING**  
**DETROIT**

February 26, 1929.

Mr. John McCray,  
Vice-President and Auditor,  
Detroit and Mackinac Railway Company,  
East Tawas, Michigan.

Dear Sir:

Pursuant to your request, we have made a cash audit of the accounts of the Detroit and Mackinac Railway Company for the year ended December 31, 1928, and herewith present statements showing the result of the operation of your company for the period under review.

We hereby certify that, according to the books and records, the attached Balance Sheet reflects the true financial condition of your company at December 31, 1928, and the accompanying statement of Income and Profit and Loss, with the supporting schedules, are a correct expression of the results of your operations for the year ended on that date.

Respectfully,

**COLEGROVE & MURPHY,**  
Harry L. Murphy,  
Certified Public Accountant.

HLM:B

**REPORT OF THE PRESIDENT TO THE STOCKHOLDERS  
OF THE  
DETROIT AND MACKINAC RAILWAY COMPANY**

New York, N. Y., March 2, 1929

To the Stockholders of the Detroit and Mackinac Railway Co.:

The statements contained in this annual report continues to show loss in passenger earnings, but the increase in freight earnings this last year have made this up, and in fact the gross earnings of the road from all sources show a little increase in our earnings as compared with the year before.

Our per diem continues to show a loss, and we had practically a surplus of some kind of equipment during the entire year.

The Company received permission to abandon the Lincoln Branch and this action was taken by the Company.

During 1927, and the early part of 1928, Depreciation was charged to the various secondary accounts entering into the primary account of Maintenance of Way and Structures; however, through error, this Depreciation was not charged against specific units, but rather on a blanket basis, which it developed, was contrary to the Interstate Commerce Commission Accounting Rules. Under the circumstances, the Commission ordered us, in December, 1928, to credit all of these secondary operating accounts with the amount of Depreciation charged against them for the years 1927 and 1928, which action, of course, not only made our report for the month of December non-compatible with other months, but also causes the annual report to be incompatible with previous years, on account of the credit carried over from the year 1927.

About 2,200 tons of the 3,000 tons of rail purchased of the Bethlehem Steel Company have been laid in the track between Bay City and Alpena, and the balance 800 tons we propose placing there this coming year.

From the large expenditure of money which we have made on the property in the past few years, we hope to show a reduction in operating expenses during the year 1929.

Commending the faithful service and loyalty of our employees, I am,

Yours very truly,

HENRY K. MCHARG,  
President.

**DETROIT AND MACKINAC RAILWAY COMPANY**  
**SECOND VICE-PRESIDENT AND AUDITOR'S OFFICE**

East Tawas, Mich., Feb. 20, 1929.

HENRY K. McHARG, ESQ.,  
President.

Dear Sir:

I herewith submit statements of the General Accounts and tables showing the result of operations of the Detroit and Mackinac Railway Company for the fiscal year ending December 31st, 1928, as follows:

TABLE A—Condensed General Balance Sheet.

TABLE B—Income Account.

TABLE C—Particulars of Bonded Debt.

TABLE D—Comparative Financial Statement.

TABLE E—Earnings and Expense by years.

TABLE F—Operating Expenses.

TABLE G—Mileage.

TABLE H—Classification of Freight Tonnage, 1927 and 1928.

TABLE I—Statistics for years 1927 and 1928.

TABLE J—Equipment.

TABLE K—Spurs, Sidings and Branches taken up and built during year.

Respectfully,

JOHN McCRAY,  
Second Vice-President and Auditor.



TABLE A

## DETROIT AND MACKINAC RAILWAY COMPANY

CONDENSED GENERAL BALANCE SHEET AS OF DECEMBER 31, 1928, AND COMPARISON WITH  
GENERAL BALANCE SHEET AS OF DECEMBER 31, 1927, SHOWING INCREASE AND DECREASE

## ASSETS

	Items	Total	Increase	Decrease
<b>Investments:</b>		\$7,671,799.13		
Investment in Road and Equipment .....	\$7,496,411.52			\$70,066.53
Miscellaneous Physical Property .....	175,387.61		\$ 5,986.07	
<b>Current Assets:</b>		533,412.14		
Cash .....	58,579.61			57,498.46
Special Deposits—J. P. Morgan Coupon Account.....	1,300.00			220.00
Traffic and Car Service Balances Receivable.....	36,313.67			14,514.67
Net Balances Receivable from Agents and Conductors.....	9,355.20		4,180.17	
Miscellaneous Accounts Receivable.....	97,523.89		55,436.51	
Material and Supplies .....	330,139.77		41,669.95	
Equipment Salvage .....	200.00			200.00
Other Current Assets .....				7.23
<b>Deferred Assets:</b>		567.54		
Working Fund Advances .....	567.54			
<b>Unadjusted Debits:</b>		24,688.13		
Insurance Premiums Paid in Advance .....	3,234.17			2,596.48
Other Unadjusted Debits .....	21,463.96		7,923.63	
<b>Total .....</b>		\$8,230,466.94		\$29,907.04

TABLE A—(Continued)

## LIABILITIES

	Items	Total	Increase	Decrease
<b>Capital Stock:</b>		\$2,950,000.00		
Common Stock .....	\$2,000,000.00			
Preferred Stock .....	950,000.00			
<b>Long Term Debt:</b>		2,750,000.00		
First Lien Bonds .....	1,500,000.00			
Mortgage Bonds .....	\$1,750,000.00			
Held in Treasury.....	500,000.00			
Outstanding .....	\$1,250,000.00			
<b>Current Liabilities:</b>		245,667.81		70,000.00
Loans and Bills Payable .....			\$ 18,829.85	
Traffic and Car Service Balances Payable .....	63,602.14		78,723.26	
Audited Accounts and Wages Payable .....	162,791.05		3,210.67	
Miscellaneous Accounts Payable .....	8,807.95			220.00
Interest Matured Unpaid .....	1,300.00			
Unmatured Interest Accrued .....	9,166.67			
<b>Unadjusted Credits:</b>		961,596.01		
Tax Liability .....	124,968.00		5,628.00	
Accrued Depreciation—Road .....	133,733.27			152,132.19
Accrued Depreciation—Equipment .....	666,579.38			5,901.01
Other Unadjusted Credits .....	36,315.36		12,058.49	
<b>Corporate Surplus:</b>		1,323,203.12		64,080.46
Additions to Property through Income and Surplus .....	1,799,502.82			
Profit and Loss—Debit Balance .....	476,299.70		143,976.35	
<b>Total .....</b>		<b>\$8,230,466.94</b>		<b>\$29,907.04</b>

TABLE B

## DETROIT AND MACKINAC RAILWAY COMPANY

## INCOME ACCOUNT DECEMBER 31, 1928, COMPARED WITH FISCAL YEAR ENDED DECEMBER 31, 1927

	1928	1927	Increase	Decrease
Freight .....	\$1,402,591.09	\$1,316,787.95	\$ 85,803.14	
Passenger .....	142,066.34	166,964.96		\$ 24,898.62
Excess Baggage .....	1,464.46	1,564.71		100.25
Parlor and Chair Car .....	1,071.25	1,363.00		291.75
Mail .....	35,857.69	37,353.21		1,495.52
Express .....	42,142.00	51,943.95		9,801.95
Other Passenger Train .....	2,849.99	3,127.87		277.88
Milk .....	25,670.61	25,588.33	82.28	
Switching .....	4,883.82	9,414.24		4,530.42
Special Service Train .....	528.00	329.02	198.98	
Station, Train and Boat Privileges .....	82.15	100.74		18.59
Parcel Room .....	36.30	39.90		3.60
Storage — Freight .....	864.95	889.95		25.00
Storage — Baggage .....	12.24	2.28	9.96	
Demurrage .....	2,224.00	2,835.00		611.00
Rents of Buildings and Other Property .....	5,025.30	5,494.79		469.49
Miscellaneous .....	1,826.26	2,904.03		1,077.77
Joint Facilities—Cr. ....		1,484.49		1,484.49
Joint Facilities—Dr.....	453.62	1,800.15		1,346.53
Total Operating Revenues .....	\$1,668,742.83	\$1,626,338.27	\$ 42,354.56	
<b>OPERATING EXPENSES</b>				
Maintenance of Way and Structures .....	324,102.51	488,688.91		164,586.40
Maintenance of Equipment .....	322,663.60	315,549.29	7,114.31	

TABLE B—(Continued)

	1928	1927	Increase	Decrease
Traffic Expense .....	\$ 24,220.41	\$ 24,674.72	\$	\$ 454.31
Transportation Rail Line .....	537,529.20	556,211.60		18,682.40
General .....	70,649.62	65,552.59	5,097.03	
Transportation for Investment—Cr. ....	40,168.44	54,997.07		14,828.63
Total Operating Expenses .....	\$1,238,996.90	\$1,395,680.04		\$156,683.14
Net Operating Revenue .....	429,745.93	230,708.23	199,037.70	
Railway Tax Accruals .....	130,616.03	121,621.29	8,994.74	
Uncollectible Railway Revenues.....	1,483.29	242.93	1,240.36	
Railway Operating Income .....	297,646.61	108,844.01	188,802.60	
Income from Lease of Road .....	5,600.00	5,600.00		
Miscellaneous Non-operating Physical Property .....	11,050.99	9,854.84	1,196.15	
Income from Unfunded Securities and Accounts.....	2,353.13	790.11	1,563.02	
Miscellaneous Income .....	1,817.26	1,781.84	35.42	
Equipment Rents—Credit Balance.....	38,580.76	54,638.39		16,057.63
Joint Facility Rents—Credit Balance .....	†6,139.04	†7,927.08	1,788.04	
Total Income.....	350,909.71	173,582.11	177,327.60	
Miscellaneous Tax Accruals .....	1,562.52	1,566.83		4.31
Interest on Funded Debt.....	110,000.00	110,000.00		
Interest on Unfunded Debt.....	5,305.45	3,073.83	2,231.62	
Miscellaneous Income Charges .....	298.45	3,403.90		3,105.45
Income Appropriated for Investment in Physical Property.....	†64,080.46	26,128.82		90,209.28
Income Balance Transferred to Profit and Loss.....	297,823.75	29,408.73	268,415.02	
†Credit.				

TABLE B (Continued)

## DETROIT AND MACKINAC RAILWAY COMPANY

## PROFIT AND LOSS ACCOUNTS

Debit Balance, January 1, 1928.....	\$620,276.05	\$
Credit Balance Transferred from Income.....		297,823.75
Miscellaneous Credits .....		1,435.21
Loss on Retired Road and Equipment.....	136,788.01	
Miscellaneous Debits .....	18,494.60	
Debit Balance Carried to Balance Sheet.....		476,299.70
	<u>\$775,558.66</u>	<u>\$775,558.66</u>

TABLE C

## PARTICULARS OF BONDED DEBT

Class of Bonds	Amount Outstanding	INTEREST		Interest Accrued During Year	Principal Due
		Rate	When Payable		
First Lien	\$1,500,000.00	4%	June and December	\$ 60,000.00	June 1, 1995
Mort.	1,250,000.00	4%	June and December	50,000.00	June 1, 1995
	<u>\$2,750,000.00</u>			<u>\$110,000.00</u>	

**TABLE D**

**DETROIT AND MACKINAC RAILWAY COMPANY**

**COMPARATIVE FINANCIAL STATEMENT**

<b>CURRENT ASSETS</b>	<b>Dec. 31, 1926</b>	<b>Dec. 31, 1927</b>	<b>Dec. 31, 1928</b>
Cash.....	\$ 59,562.19	\$ 116,078.07	\$ 58,579.61
Special Funds .....	1,940.00	1,520.00	1,300.00
Due from Station Agents and Others.....	63,940.05	47,269.64	106,879.09
Material and Supplies .....	356,206.00	288,869.82	330,339.77
Prepaid and Deferred Charges .....	1,374.17	6,388.19	3,791.71
Discount on Funded Debt .....	60,000.00		
Other Unadjusted Debits .....	13,881.35	13,540.33	21,463.96
<b>Totals .....</b>	<b>\$ 556,903.76</b>	<b>\$ 473,666.05</b>	<b>\$ 522,354.14</b>
<b>LESS CURRENT LIABILITIES</b>			
Audited Vouchers and Pay Rolls.....	\$ 112,193.54	\$ 84,067.79	\$ 162,791.05
Notes Payable.....	100,000.00	70,000.00	
Accrued Taxes, Interest and Traffic Balances .....	180,135.38	129,567.90	171,531.09
<b>Totals .....</b>	<b>\$ 392,328.92</b>	<b>\$ 283,635.69</b>	<b>\$ 334,322.14</b>
<b>Net Assets.....</b>	<b>\$ 164,574.84</b>	<b>\$ 190,030.36</b>	<b>\$ 188,032.00</b>
<b>CAPITAL ASSETS</b>			
Cost of Road .....	\$6,497,234.19	\$6,508,662.01	\$6,488,140.87
Cost of Equipment .....	1,062,534.92	1,057,816.04	1,008,270.65
Miscellaneous Physical Property .....	149,981.66	169,401.54	175,387.61
<b>Totals .....</b>	<b>\$7,709,750.77</b>	<b>\$7,735,879.59</b>	<b>\$7,671,799.13</b>
<b>Net Assets .....</b>	<b>\$7,874,325.61</b>	<b>\$7,925,909.95</b>	<b>\$7,859,831.13</b>
<b>REPRESENTING</b>			
Bonds Issued—First Lien .....	\$1,500,000.00	\$1,500,000.00	\$1,500,000.00
Bonds Issued—Mortgage .....	1,250,000.00	1,250,000.00	1,250,000.00
Stock Issued—Common .....	2,000,000.00	2,000,000.00	2,000,000.00
Stock Issued—Preferred .....	950,000.00	950,000.00	950,000.00
Reserves .....	814,199.44	958,345.85	800,312.65
Other Unadjusted Credits.....	11,918.94	24,256.87	36,315.36
Additions to Property Through Income and Surplus .....	1,837,454.46	1,863,583.28	1,799,502.82
Surplus.....	†489,247.23	†620,276.05	†476,299.70
<b>Totals .....</b>	<b>\$7,874,325.61</b>	<b>\$7,925,909.95</b>	<b>\$7,859,831.13</b>

†Deficit

TABLE E

## DETROIT AND MACKINAC RAILWAY COMPANY

## REVENUES AND EXPENSES BY YEARS

REVENUE	1924 Amount	Per Cent.	1925 Amount	Per Cent.	1926 Amount	Per Cent.	1927 Amount	Per Cent.	1928 Amount	Per Cent.
Freight.....	\$1,447,935.06	75.19	\$1,274,247.79	75.08	\$1,228,783.80	75.57	\$1,316,787.95	80.96	\$1,402,591.09	84.05
Passenger.....	303,045.76	15.74	257,104.23	15.15	234,977.22	14.45	166,964.96	10.26	142,066.34	8.51
Mail.....	47,708.51	2.48	45,478.36	2.68	42,050.45	2.59	37,353.21	2.30	35,857.69	2.15
Express.....	56,568.78	2.94	56,234.73	3.31	57,835.98	3.56	51,943.95	3.19	42,142.00	2.53
Milk.....	29,183.14	1.51	29,234.13	1.72	29,090.53	1.79	25,588.33	1.58	25,670.61	1.54
Other Sources.....	41,067.96	2.14	34,884.79	2.06	33,162.16	2.04	27,749.87	1.71	20,415.10	1.22
Total.....	\$1,925,509.21	100%	\$1,697,184.03	100%	\$1,625,950.14	100%	\$1,626,338.27	100%	\$1,668,742.83	100%
<b>EXPENSES</b>										
Maint. Way and Structures.....	351,414.14	21.94	342,094.96	22.69	335,218.61	23.15	488,638.91	35.02	324,102.51	26.16
Maintenance Equipment.....	448,978.68	28.03	449,123.85	29.78	424,608.61	29.32	315,549.29	22.62	322,663.60	26.05
Traffic.....	24,349.00	1.52	24,490.55	1.62	22,762.01	1.57	24,674.72	1.76	24,220.41	1.94
Transportation.....	703,823.54	43.95	650,062.83	43.11	597,615.25	41.26	556,211.60	39.85	537,529.20	43.39
General.....	77,088.94	4.81	66,003.81	4.38	69,483.51	4.79	65,552.59	4.69	70,649.62	5.70
Transportation for Invest- ment—Cr.....	4,058.86	.25	23,903.59	1.58	1,357.10	.09	54,997.07	3.94	40,168.44	3.24
Total.....	\$1,601,595.44	100%	\$1,507,872.41	100%	\$1,448,330.89	100%	\$1,395,680.04	100%	\$1,238,996.90	100%
Net Earnings.....	323,913.77	16.82	189,311.62	11.15	177,619.25	10.92	230,708.23	14.18	429,745.93	25.75
Taxes.....	126,612.46	6.58	121,804.29	7.17	112,759.60	6.93	121,621.29	7.48	130,616.03	7.83
Net Earnings, less Taxes.....	197,301.31	10.24	67,507.33	3.98	64,859.65	3.99	109,086.94	6.71	299,129.90	17.93

**TABLE F**  
**DETROIT AND MACKINAC RAILWAY COMPANY**  
**OPERATING EXPENSES**  
**1928 COMPARED WITH 1927**

**MAINTENANCE OF WAY AND STRUCTURES**

	Amount	Increase	Decrease
Superintendence.....	\$ 34,911.26	\$ 8,682.47	\$
Roadway Maintenance.....	6,268.36		1,437.98
Bridges, Trestles and Culverts.....	2,981.93	434.34	
Bridges, Trestles and Culverts—Depreciation.....	†7,834.14		15,668.28
Ties.....	113,743.84	11,980.48	
Ties—Depreciation.....	†24,818.41		49,636.82
Rails.....	58,870.54	56,053.12	
Rails—Depreciation.....	†45,220.54		90,441.08
Other Track Material.....	49,065.63	5,839.20	
Other Track Material—Depreciation.....	†19,596.48		39,192.96
Ballast.....	7,609.13	2,102.70	
Ballast—Depreciation.....	†10,045.13		20,090.26
Track Laying and Surfacing.....	138,152.09	22,136.25	
Right-of-Way Fences.....	1,805.66		161.49
Right-of-Way Fences—Depreciation.....	†5,322.95		10,645.90
Snow and Sand Fences and Snowsheds— Depreciation.....	†79.30		158.60
Crossings and Signs.....	3,157.36		173.46
Crossings and Signs—Depreciation.....	†2,205.00		4,410.00
Station and Office Buildings.....	3,171.00		4,669.35
Station and Office Buildings—Depreciation.....	†7,590.07		15,180.14
Roadway Buildings.....	1,069.34		1,221.14
Roadway Buildings—Depreciation.....	†1,436.61		2,873.22
Water Stations.....	907.68		1,209.10
Water Stations—Depreciation.....	†1,839.63		3,679.26
Fuel Stations.....	257.19		48.66
Fuel Stations—Depreciation.....	†864.66		1,729.32
Shops and Enginehouses.....	6,074.11	3,642.35	
Shops and Enginehouses—Depreciation.....	†4,897.05		9,794.10
Wharves and Docks.....	3.55	3.55	
Coal and Ore Wharves.....	165.91	102.67	
Coal and Ore Wharves—Depreciation.....	†300.51		601.02
Telegraph and Telephone Lines.....	2,234.67	377.99	
Telegraph and Telephone Lines—Depreciation...	†1,979.01		3,958.02
Signals and Interlockers.....	126.33		267.23
Roadway Machines.....	10,213.61	4,543.57	
Roadway Machines—Depreciation.....	†2,485.78		4,971.56
Small Tools and Supplies.....	6,033.57	1,418.48	
Removing Snow, Ice and Sand.....	8,667.48	103.35	
Injuries to Persons.....	1,565.22	725.23	
Insurance.....	1,622.16	28.80	
Stationery and Printing.....	903.01	373.29	
Maintaining Joint Tracks, Yards and Other Facilities—Dr.....	2,343.52		1,700.50
Maintaining Joint Tracks, Yards and Other Facilities, Cr.....	1,306.37		785.21
Total.....	\$224,102.51		\$164,586.40

†Credit.



TABLE F (Continued)

## MAINTENANCE OF EQUIPMENT

	Amount	Increase	Decrease
Superintendence.....	\$ 14,817.27	\$ 466.75	\$ 1,518.41
Shop Machinery.....	1,889.25		13,128.36
Shop Machinery—Depreciation.....	†6,564.18		
Steam Locomotives—Repairs.....	104,668.15	173.02	
Steam Locomotives—Depreciation.....	13,905.22	9,313.47	
Steam Locomotives—Retirements.....	16,094.61	19,456.69	
Freight Train Cars—Repairs.....	139,693.58	8,447.21	
Freight Train Cars—Depreciation.....			10,383.34
Freight Train Cars—Retirements.....	†4,648.84		2,755.33
Passenger Train Cars—Repairs.....	26,726.67		2,524.64
Passenger Train Cars—Depreciation.....			3,001.45
Work Equipment—Repairs.....	5,883.06		1,937.26
Work Equipment—Depreciation.....	4,308.49	3,070.34	
Work Equipment—Retirements.....	3,076.14	3,294.83	
Miscellaneous Equipment—Repairs.....	127.30		363.89
Miscellaneous Equipment—Depreciation.....	393.20		41.68
Injuries to Persons.....	1,823.44	190.16	
Insurance.....	331.77	37.63	
Stationery and Printing.....	974.94	200.09	
Maintaining Joint Equipment at Terminals—Dr....	85.64		1,908.04
Maintaining Joint Equipment at Terminals—Cr....	922.11		26.52
Total.....	\$322,663.60	\$ 7,114.31	

## TRAFFIC

Superintendence.....	\$ 13,073.97	\$ 1,158.55	
Outside Agencies.....	2,734.99	73.30	
Advertising.....	366.03	145.52	
Traffic Associations.....	2,207.60	421.02	
Insurance.....	5.76	1.39	
Stationery and Printing.....	5,832.06		2,254.09
Other Expenses.....			
Total.....	\$ 24,220.41		\$ 454.31

## TRANSPORTATION—RAIL LINE

Superintendence.....	\$ 26,685.88	\$ 540.13	
Dispatching Trains.....	10,274.99		101.21
Station Employees.....	85,418.13		8,205.89
Weighing, Inspection and Demurrage Bureaus.....	670.40	304.70	
Station Supplies and Expenses.....	4,418.94		923.77
Yard Masters and Yard Clerks.....	11,285.44	123.13	
Yard Conductors and Brakemen.....	22,187.63		1,120.53
Yard Enginemen.....	19,772.64		1,479.58
Fuel for Yard Locomotives.....	19,315.72	1,034.29	
Water for Yard Locomotives.....	1,279.27		223.44
Lubricants for Yard Locomotives.....	429.07		8.37
Other Supplies for Yard Locomotives.....	108.24		80.18
Enginehouse Expenses—Yard.....	5,542.42	183.31	
Yard Supplies and Expenses.....	336.74	8.79	

†Credit.

TABLE F (Continued)

	Amount	Increase	Decrease
Train Enginemen.....	\$ 59,453.94	\$	\$ 2,458.63
Fuel for Train Locomotives.....	100,072.86		1,222.88
Water for Train Locomotives.....	4,696.14		1,078.06
Lubricants for Train Locomotives.....	2,503.28		414.85
Other Supplies for Train Locomotives.....	664.45		348.87
Enginehouse Expenses—Train.....	30,110.51		2,671.11
Trainmen.....	64,258.89		2,397.10
Train Supplies and Expenses.....	28,476.92		1,944.20
Crossing Protection.....	112.08	23.20	
Drawbridge Operation.....	3,173.80		42.66
Telegraph and Telephone Operation.....	1,723.20	47.83	
Stationery and Printing.....	4,925.27		441.57
Other Expenses.....	1,020.90		1,333.36
Insurance.....	456.60	75.70	
Clearing Wrecks.....	4,858.03	2,998.44	
Damage to Property.....	648.08		493.40
Damage to Live Stock on Right-of-Way.....	118.90		62.34
Loss and Damage—Freight.....	10,088.29	4,353.91	
Loss and Damage—Baggage.....	.35		2.32
Injuries to Persons.....	2,190.11		1,358.01
Operating Joint Yards and Terminals—Dr.....	21,290.77	177.72	
Operating Joint Yards and Terminals—Cr.....	9,861.55		60.54
Operating Joint Tracks and Facilities—Dr.....	657.62		66.07
Operating Joint Tracks and Facilities—Cr.....	1,835.75	135.69	
Total.....	\$537,529.20		\$ 18,682.40

## GENERAL

Salaries and Expenses of General Officers.....	\$ 11,326.30	\$ 31.63	\$
Salaries and Expenses of Clerks and Attendants..	35,442.87		1,733.82
General Office Supplies and Expenses.....	1,700.53	441.05	
Law Expenses.....	10,217.83	3,014.95	
Insurance.....	125.19		5.57
Pensions.....	8,450.00	3,294.00	
Stationery and Printing.....	2,815.30	56.91	
Other Expenses.....	571.60		2.12
Total.....	\$ 70,649.62	\$ 5,097.03	

## SUMMARY

Maintenance of Way and Structures.....	\$324,102.51	\$	\$164,586.40
Maintenance of Equipment.....	322,663.60	7,114.31	
Traffic Expenses.....	24,220.41		454.31
Transportation—Rail Line.....	537,529.20		18,682.40
General.....	70,649.62	5,097.03	
Transportation for Investment—Cr.....	40,168.44		14,828.63
Total Operating Expenses.....	\$1,238,996.90		\$156,683.14

**TABLE G**  
**DETROIT AND MACKINAC RAILWAY COMPANY**  
**STATEMENT OF MILEAGE, DECEMBER 31, 1928**

**MAIN LINE**

North Bay City to Cheboygan.....	195.53
One-half Ownership—Foss to North Bay City.....	.12

**BRANCHES**

Omer to Au Gres.....	8.22
National City to Prescott.....	12.17
National City to Rose City.....	31.22
Alabaster Junction to Alabaster.....	4.27
Hillman Junction to Hillman.....	23.35
Rogers City Junction to Rogers City.....	14.40
Alpena Junction to Rockport.....	13.90
<hr/>	
Total .....	107.53
Total Main Line and Branches.....	303.18
Yard Tracks and Sidings.....	78.85
<hr/>	
Total, all tracks (Miles).....	382.03

**TABLE H**  
**DETROIT AND MACKINAC RAILWAY COMPANY**  
**CLASSIFICATION OF FREIGHT TONNAGE**

Products of Agriculture:	1928 Tons	Per Cent.	1927 Tons	Per Cent.
Grain.....	3,682	.3	4,764	.4
Flour.....	2,859	.2	2,989	.3
Other mill products.....	2,321	.2	2,618	.2
Hay and straw.....	281		606	.1
Potatoes.....	10,190	.8	6,522	.6
Dried fruits and vegetables.....	10,056	.8	11,519	1.0
Other products of agriculture.....	10,057	.8	12,637	1.1
<hr/>			<hr/>	
Total.....	39,446	3.1	41,655	3.7

TABLE H (Continued)

<b>Animals and Products:</b>	<b>1928 Tons</b>	<b>Per Cent.</b>	<b>1927 Tons</b>	<b>Per Cent.</b>
Live stock.....	5,439	.4	6,774	.6
Wool.....	189		178	
Hides and leather.....	1,273	.1	2,088	.2
Other animals and products.....	563		1,311	.1
Total.....	7,464	.5	10,351	.9
<b>Products of Mines:</b>				
Anthracite coal.....	582		1,295	.1
Bituminous coal.....	60,778	4.7	59,797	5.1
Coke.....	2,972	.2	1,781	.2
Clay, gravel, sand and stone.....	638,930	49.1	578,422	49.2
Other products of mines.....	2,921	.2	3,114	.3
Total.....	706,183	54.2	644,409	54.9
<b>Products of Forest:</b>				
Pulp wood.....	40,035	3.1	36,618	3.1
Lumber.....	48,828	3.8	37,651	3.2
Other products of forests.....	22,919	1.8	19,177	1.6
Total.....	111,782	8.7	93,446	7.9
<b>Manufactures and Miscellaneous:</b>				
Refined petroleum and its products.....	27,833	2.1	28,385	2.4
Sugar.....	1,108	.1	1,454	.1
Iron, pig and bloom.....	409		553	
Rails and fastenings.....	1,254	.1	986	.1
Bar and sheet iron, structural iron, and iron pipe.....	3,875	.3	4,920	.4
Castings, machinery and boilers.....	3,437	.3	3,678	.3
Cement.....	115,748	8.9	113,613	9.6
Brick and artificial stone.....	2,819	.2	4,247	.4
Lime and plaster.....	167,059	12.8	130,688	11.0
Agricultural implements.....	463		921	.1
Automobiles and auto trucks.....	31		295	
Household goods and furniture.....	79		83	
Beverages.....	95		60	
Fertilizers (all kinds).....	1,079	.1	893	.1
Chemicals and explosives.....	1,583	.1	5,754	.5
Canned goods (all canned food products).....	1,006	.1	676	.1
Other manufactures and miscellaneous.....	79,004	6.1	56,169	4.8
Total.....	406,882	31.2	353,375	29.9
All L. C. L. freight.....	29,889	2.3	33,068	2.7
Grand Total, Carload and L. C. L. Traffic.....	1,301,646	100 %	1,176,304	100 %

**TABLE I**  
**DETROIT AND MACKINAC RAILWAY COMPANY**

**FREIGHT STATISTICS**

	1928	1927
Number tons revenue freight carried.....	1,218,265	1,176,304
Number tons non-revenue freight carried.....	125,105	173,852
Total number tons of freight carried.....	1,343,370	1,350,156
Number revenue tons carried one mile.....	96,862,282	90,484,920
Number all tons carried one mile.....	107,480,000	103,903,000
Number revenue tons carried one mile, per mile of road.....	315,574	254,564
Number tons all freight carried one mile, per mile of road.....	350,166	292,314
Average distance haul of one ton revenue freight (miles).....	79.51	76.92
Average distance haul of one ton all freight (miles).....	80.01	76.96
Total freight revenue.....	\$1,402,591.09	\$1,316,787.95
Average amount received for each ton of freight.....	1.15126	1.11942
Average receipts, per ton, per mile.....	.01448	.01455
Freight revenue, per mile of road.....	4,569.59	3,704.56
Freight revenue, per train mile.....	6.13	5.43
Average number of revenue tons per train mile.....	423.07	373.36
Average number of all tons, per train mile.....	469.44	428.73
Average number of all tons, per loaded car mile....	28.77	27.73
Average number of cars, per train mile.....	27.9	25.98

**PASSENGER STATISTICS**

Number of passengers carried.....	60,150	79,391
Number of passengers carried one mile.....	3,988,000	4,734,000
Number of passengers carried one mile, per mile of road.....	12,993	13,318
Average distance each passenger carried (miles).....	66.30	59.63
Passenger revenue.....	\$ 142,066.34	\$ 166,964.96
Average amount received from each passenger.....	2.361	2.103
Average receipts, per passenger, per mile.....	.03562	.03527
Total passenger train earnings.....	251,122.34	287,906.03
Passenger earnings, per mile of road.....	818.15	809.98
Passenger earnings, per train mile.....	1.35	1.51
Average number of passengers, per train mile.....	21.40	24.77

**OPERATING STATISTICS**

Gross revenue from operation.....	\$1,668,742.83	\$1,626,388.27
Gross revenue from operation, per mile of road.....	5,436.71	4,575.57
Operating expenses.....	1,238,996.90	1,395,680.09
Operating expenses, per mile of road.....	4,036.61	3,926.52
Operating expenses, per train mile.....	2.98	3.22
Net operating revenues.....	429,745.93	230,708.23
Net operating revenues, per mile of road.....	1,400.10	649.06
Ratio of expenses to earnings.....	74.25	85.81

**TABLE J**  
**DETROIT AND MACKINAC RAILWAY COMPANY**  
**EQUIPMENT**

<b>Locomotives:</b>	<b>1927</b>	<b>1928</b>
Passenger.....	12	10
Freight.....	12	10
Switching.....	6	5
	<hr/>	<hr/>
Totals.....	30	25
 <b>Passenger Cars:</b>		
First Class.....	14	14
Combination.....	7	6
Parlor.....	2	2
Cafe.....	1	1
Baggage, Express and Postal.....	14	15
	<hr/>	<hr/>
Totals.....	38	38
 <b>Freight Cars:</b>		
Refrigerator.....	6	6
Box.....	515	501
Coal.....	48	48
Flat.....	115	116
Stock.....	75	72
Gondolas.....	341	340
	<hr/>	<hr/>
Totals.....	1,100	1,083
 <b>In Company's Service:</b>		
Officers and Pay Cars.....	1	1
Derrick Cars.....	2	1
Caboose Cars.....	11	11
Other Road Cars.....	71	68
Snow Plow.....	1	1
	<hr/>	<hr/>
Totals.....	86	82
 <b>Summary:</b>		
Total Number of Locomotives Owned.....	30	25
Total Number of Cars Owned.....	1,224	1,203

TABLE K

**DETROIT AND MACKINAC RAILWAY COMPANY**  
**STATEMENT OF TRACKS BUILT AND TAKEN UP DURING**  
**YEAR 1928**

**TRACKS BUILT**

Track Order	Location	Miles	Feet
1569	Connecting Track with Main Line.....	Big Cut	234
1570	Connecting Track 46-B to 46-A.....	Big Cut	159
1573	Track No. 150-B .....	Bolton	1,387
1589	Connect Track No. 17 and North End of No. 20 .....	North Bay City	2,851
1591	Connect M. C. R. R. and D. & M. Ry.....	Cheboygan	453
1598	Acquire Track 144.....	Fletcher Branch	456
1604	Side Track 1—Mile North.....	Lincoln Junction	403.9
Total.....		1	663.9

**TRACKS TAKEN UP**

Track Order	Location	Miles	Feet
1350	Engine House Track No. 23.....	Rose City	389
1536	Track No. 54 .....	Pinconning	2,014
1539	Back End of Track No. 18.....	Maltby	600
1541	West End Long Siding No. 20.....	Lupton	610
1542	Back End of Track No. 18.....	Lachine	526
1543	Turtle Spur No. 81.....	Main Line	453
1544	Pole Road Spur No. 138.....	Black River	366.5
1547	Tobico Ice House No. 46.....	Tobico	1,200
1556	Track No. 116 .....	Oscoda	400
1557	West Leg of Wye.....	National City	1,936
1561	Wye Track No. 231.....	Cheboygan	450
1562	Doubling Track .....	Kerston	983
1566	Old Cement Track No. 86.....	Alpena	765
1567	Crossover Main Line and Scale Track.....	Big Cut	183
1568	Scale Track North End.....	Big Cut	1,494
1571	Track No. 164 .....	Hurst Branch	1,000
1572	Tracks No. 150 and 150-A.....	Bolton	3,144
1575	Track No. 185 .....	Onaway	1,256
1576	Track No. 198 .....	Onaway	622
1577	Track No. 199 .....	Onaway	356
1578	Track No. 193-197 .....	Onaway	1,209
1579	Back End of Track No. 208.....	Onaway	180
1580	Track No. 196 .....	Onaway	762
1581	Embury & Martin Track No. 246-A.....	Cheboygan	347
1585	Track No. 30 .....	North Bay City	894
1588	Part of Track No. 7.....	North Bay City	846
1590	Back End of Track No. 72.....	Twining	225
1592	Track No. 43 .....	North Bay City	343.5
1597	Track No. 30 .....	Big Cut	270

TABLE K (Continued)

Track Order	Location	Miles	Feet
1603 Siding .....	Lincoln Junction		606
1606 Track No. 61 .....	Pine River		2,139
1607 Track No. 101 .....	Oscoda		1,563
1608 Track No. 103 .....	Oscoda		900
1615 Cranberry Spur—3 Miles North .....	Ossineke		315
1617 Back End Track No. 12 .....	Tawas Yard		530
1618 Track No. 19 .....	Tawas Yard		360
1619 Track No. 17 .....	Tawas Yard		306
1620 Back End Track No. 11 .....	Tawas Yard		125
1621 Back End Track No. 152 .....	Polaski		439
1622 Back End of Track .....	Rogers City Jct.		1,120.5
1623 Back End Track No. 2 .....	Tawas City		181
1624 Track No. 3 .....	Tawas City		195
1583 Sidings and Spurs .....	Lincoln Branch	1	211
Main Line .....	Lincoln Branch	14	3,484
Total .....		21	4,618.5

## SUMMARY

Tracks Taken Up .....	21	4,618.5
Tracks Built .....	1	663.9
Net Decrease .....	20	3,954.6





